

South Carolina
DEPARTMENT OF HEALTH AND HUMAN SERVICES
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January 2, 2007

MEDICAID BULLETIN

ALL-GENERAL 07-01

TO: Medicaid Providers

SUBJECT: Employee Education about False Claims Recovery

Congress passed an administrative requirement in the Deficit Reduction Act of 2005 that impacts entities receiving annual Medicaid payments of at least \$5,000,000. Any entity that receives \$5,000,000 or more annually must establish the following policies as a condition of receiving such payments:

- A. Establish written policies for all employees of the entity (including management), and of any contractor or agent of the entity, that provide detailed information about S. 1932—71 the False Claims Act established under sections 3729 through 3733 of title 31, United States Code, administrative remedies for false claims and statements established under chapter 38 of title 31, United States Code, any State laws pertaining to civil or criminal penalties for false claims and statements, and whistleblower protections under such laws, with respect to the role of such laws in preventing and detecting fraud, waste, and abuse in Federal health care programs (as defined in section 1128B(f));
- B. Include as part of such written policies, detailed provisions regarding the entity's policies and procedures for detecting and preventing fraud, waste, and abuse; and
- C. Include in any employee handbook for the entity, a specific discussion of the laws described in subparagraph (A), the rights of employees to be protected as whistleblowers, and the entity's policies and procedures for detecting and preventing fraud, waste, and abuse.

This requirement became effective January 1, 2007. The South Carolina Department of Health and Human Services is incorporating this requirement into the provider enrollment agreements. If you have any questions concerning this bulletin, please contact your program manager.

/s/

Robert M. Kerr
Director

RMK/bsk

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To sign up for Electronic Funds Transfer of your Medicaid payment, please go to the following link for instructions: <http://www.scdhhs.gov/dhhsnew/serviceproviders/eft.asp>